



The President's Daily Brief

September 5, 1975

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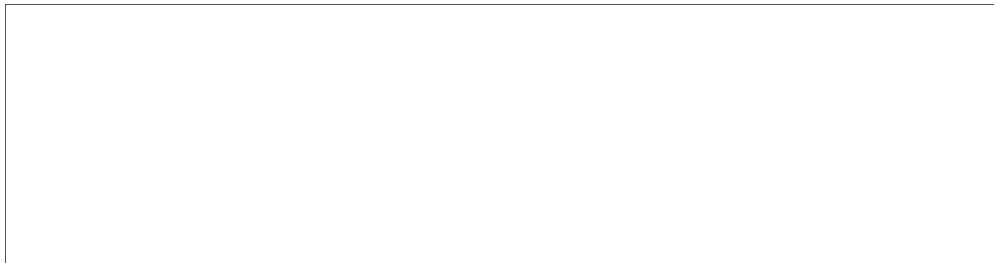
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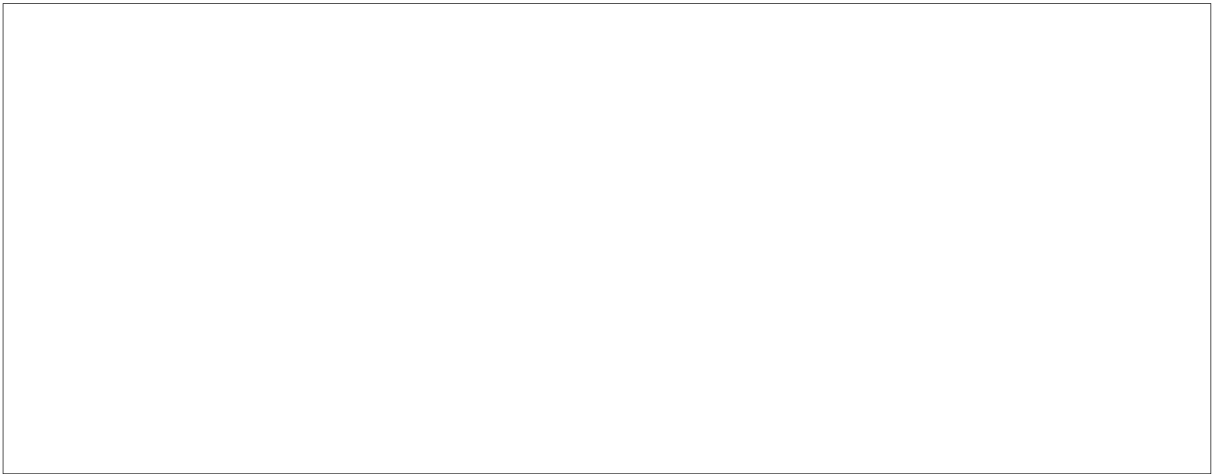
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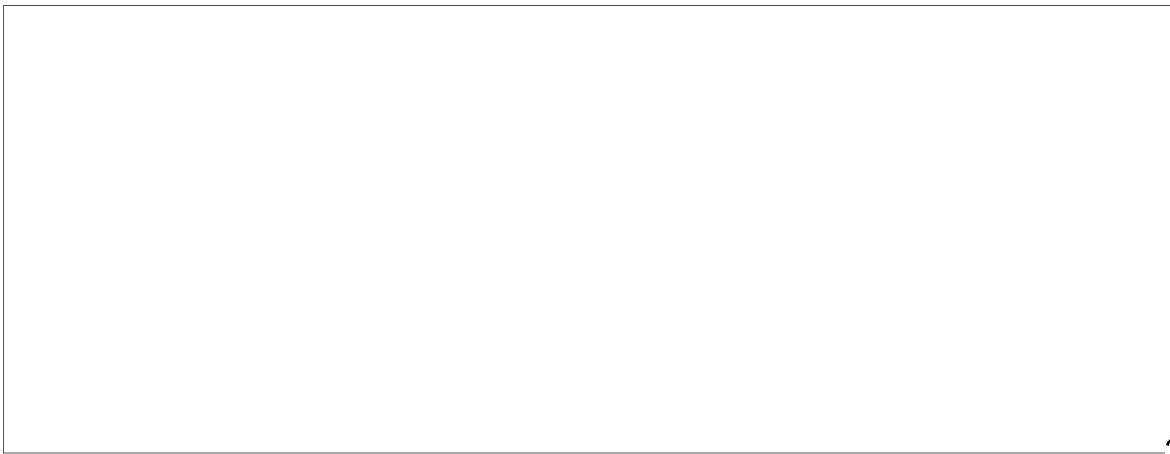
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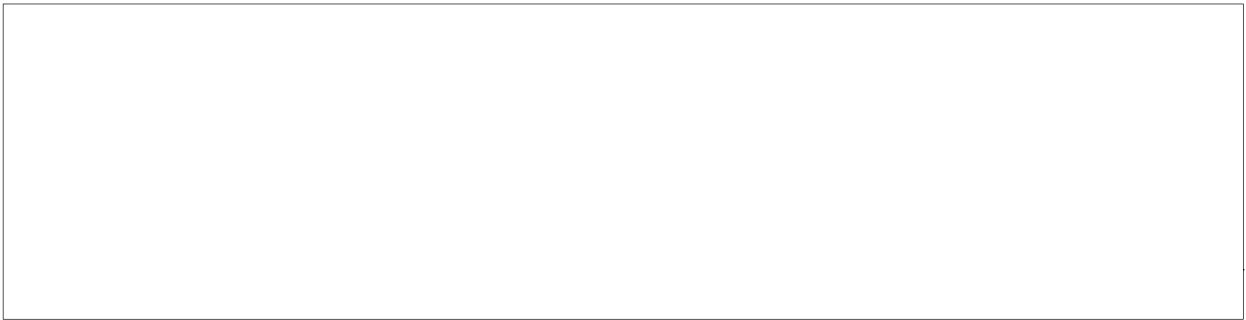


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PORTUGAL

The Portuguese Armed Forces General Assembly will meet today as scheduled, according to a spokesman for President Costa Gomes, and is likely to be the scene for a showdown between supporters and opponents of Vasco Goncalves. Opponents of the pro-Communist Goncalves reportedly plan a military move if the assembly goes against them.

Rumors that the assembly would be postponed in the face of a threatened boycott by army delegates were denied yesterday by the President's office, and [redacted] army Chief of Staff Fabiao was, in fact, campaigning for the meeting to be held. Fabiao earlier this week chaired the meeting of the army assembly, which voted overwhelmingly against Goncalves. Fabiao has issued a strongly worded statement rejecting Goncalves' appointment as armed forces chief of staff.

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If Fabiao now favors the meeting, it could indicate that Goncalves' opponents believe they can control the outcome or, possibly, that Fabiao has deserted the anti-Goncalves faction. He did so once before when he withdrew as the Antunes group's candidate to replace Goncalves.

The assembly meeting reportedly will be held at Tancos, a town about 80 miles north of Lisbon. Paratroopers headquartered at Tancos are believed to support the Antunes group, and pro-Goncalves delegates could feel intimidated. The US embassy suggests that this would also be a good opportunity for the Antunes group to initiate a military move by seizing some of the principal leaders of the Goncalves faction.

Sources within the Antunes faction have told the US embassy that they will wait to start any military action until after the assembly, in the hope that Goncalves can be ousted without bloodshed. If he is still in place after the assembly meeting, the Antunes group reportedly will begin military action in northern Portugal and gradually move south to isolate Lisbon.

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One good barometer of how Goncalves' backers view his chances has been the public position of the Portuguese Communist Party, which has vacillated between full support for Goncalves and calls for a compromise, depending on Goncalves' fortunes at the moment. In an interview released yesterday, party secretary Cunhal called for talks to include the warring military factions, the Communists, and the Socialists to discuss a compromise solution and form a new government that could be supported by all factions. No mention was made of Goncalves.

Cunhal also talked in the interview of possible efforts by fascists associated with Antonio de Spínola to regain power. Indeed, Spínola is the wild card in the Portuguese deck who has the capacity to alter significantly the present balance of forces. Spínola's backers, both within Portugal and in neighboring countries, see Melo Antunes as nearly as objectionable as Goncalves, and could decide to make their move before Antunes succeeds in using anti-Communist sentiment to put himself in power.

Spínola's arrival in Paris Wednesday has already set off rumors in Lisbon that he will attempt to regain power. With Portugal's armed forces divided, Spínola, in league with other rightist forces, might have improved prospects for success. It is more likely that he would succeed only in torpedoing the attempt to oust Goncalves and roll back Communist influence.

Meanwhile, Prime Minister - designate Azevedo has continued his efforts to form a government, but with lack of success. Yesterday, the Popular Democrats made known their conditions for joining a new government. Echoing the Socialists, they called for Goncalves' removal, the appointment of a military minister from the Antunes group, local and national elections, and restructuring of the Armed Forces General Assembly.

With Azevedo's efforts stalled and swearing in ceremonies postponed, there has still been no real change in the government. Goncalves still chairs meetings of the Fifth Provisional Government's cabinet, and Azevedo continues to function as navy chief of staff.

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EGYPT

In an angry and often emotional speech to a joint session of Egypt's political and legislative leaders last night, President Sadat defended the Egyptian-Israeli disengagement agreement against a rising tide of Arab and Soviet attack.

Directing unusually forthright criticism at his Arab allies, Sadat charged that Syria and the Palestine Liberation Organization are giving Israel and the Soviet Union the opportunity both are seeking to divide Arab ranks.

Sadat has usually reserved such criticism for the likes of Libya; he has never before attacked Syria and President Asad by name and has seldom so directly castigated the less radical Palestinians.

Ignoring his original intention to explain the specifics of the agreement, Sadat made his speech a counterattack, challenging the other Arabs to prove that their tactics could match Egypt's accomplishments. He reviewed the Arab struggle with Israel and asserted that a quarter century of slogans and paper resolutions had produced nothing for the Arabs.

Sadat said the Arab people deserve more than "soporific promises," and he claimed full credit for starting them on a course that has brought not only gains for Egypt but a return of territory to Syria and greater international recognition for the Palestinians.

In the course of his defense, Sadat minimized the territorial gains Egypt has made in the latest agreement in order to demonstrate its continued loyalty to the Arab cause. He said he had not obtained all he had hoped for. In the most telling justification of his position, Sadat asserted that, if he had meant to abandon the other Arabs as they have charged, he could have regained the entire Sinai through considerably less arduous negotiations.

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The Egyptian President reserved his most scathing attack for the Soviets, although they were clearly not the chief focus of his concern. To applause from his audience, he charged that the Soviets' boycott of the signing ceremonies in Geneva yesterday was an "open provocation."

He repeatedly accused Moscow of deliberately distorting Egypt's position in an effort to divide it from the other Arabs.

Sadat's speech reflects his obvious concern for the effect the Sinai accord will have on Egypt's position of leadership within the Arab world. Despite his claims to the contrary, the accord and its injunction against the use of force do in fact effectively remove Egypt from the center of the Arab struggle for the next few years. His assertion of less than full satisfaction is the other Arabs' only assurance that Egypt might eventually re-enter the fray.

This knowledge will not reassure them, and Sadat's attack is not likely to deter them from further criticism.

Sadat is aware of this, but his speech indicated his determination not to be diverted from his preferred negotiating path. He made no apologies for his position; he said Egypt would respect and implement what it has signed.

Sadat also made no excuses for his relations with the US, despite the particularly harsh criticism many Arabs have directed at the US role in the agreement. He expressed particular thanks to you for your "intervention and personal attention," which he said were critical to achieving the agreement. His remarks brought applause from the audience.

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SYRIA

Syria's sharp denunciation of the Sinai accord following an extraordinary meeting of Baath party leaders yesterday may be designed more to disarm President Asad's internal and external critics than to score either the US or Egypt.

Asad may have chosen the Baath party as the vehicle to issue the denunciation in order to defuse any internal pressures on him to speak out more directly against the agreement. If so, he may be trying to buy time to see what develops on the negotiating front before the mandate of the UN forces on the Golan Heights comes up for renewal in late November.

Foreign Minister Khaddam told Ambassador Murphy yesterday, in fact, that Syria had felt compelled to issue the statement because of the "severely disturbed state of Arab public opinion." The minister said he hoped the US appreciated the restraint exercised by the statement's drafters. One embassy source, with access to the thinking of the Syrian leadership, even characterized the condemnation of the accord as a "smokescreen" drafted with an eye to protecting Syria's flank from criticism by Iraq.

In any event, we believe that Asad has not yet given up hope of obtaining another Israeli pull-back on the Golan, although he may be dissatisfied with the lack of concrete assurances that Syrian-Israeli negotiations will start soon. Our embassy believes that the most significant point in the Syrian statement may be Damascus' attempt to exploit current frustrations among both the Palestinians and Jordanians in hopes of nudging them closer to cooperation with Syria.



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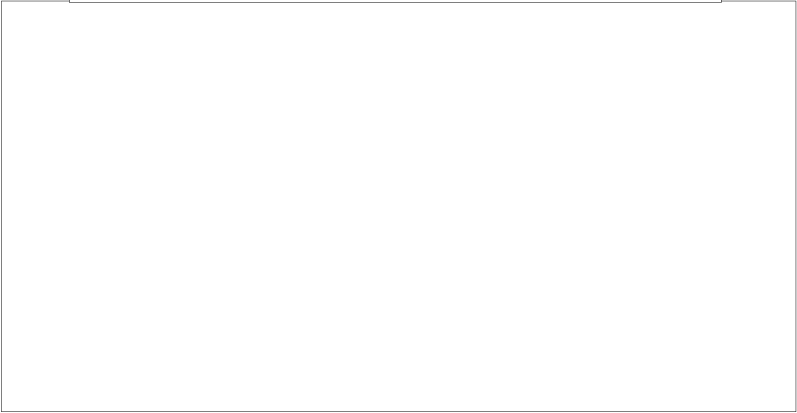
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The Soviets recently have sent 200 to 300 additional personnel to Laos, according to a Lao diplomat in Moscow.

The Soviets are reluctant to answer questions about the size of their mission in Laos but admit that approximately 300 are there. This figure is probably understated, but in itself it represents a substantial increase from the 75 to 100 that were in the country six months ago. The Soviets are providing technical assistance in improving and operating several airfields. It also appears that they are about to begin work on several construction projects agreed to in the assistance pact they signed last December with the Laotians. Moscow's willingness to provide aid is aimed at improving its position in Laos vis-a-vis that of Peking.

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